

To:

Pharmacies

Blood Banks

Dispensing
PhysiciansHMOs and Other
Managed Care
Programs

Pharmacy policy changes for prior authorization and pharmaceutical care

This Update explains the prior authorization requirements for Orlistat and an additional pharmaceutical care billing policy for side effects counseling.

Orlistat requires prior authorization

For dates of service on and after November 15, 1999, Wisconsin Medicaid will require prior authorization (PA) for Orlistat (Xenical).

Request PA for this drug by submitting paper prior authorization forms [Prior Authorization Request Form (PA/RF) and Prior Authorization Drug/DMS Attachment (PA/DGA)].

Medicaid is adding Orlistat to the group of drugs requiring PA to be consistent with other covered weight-loss drugs. Wisconsin Medicaid has the authority to require PA for certain drug products under HFS 107.10(2), Wis. Admin. Code, and the federal Omnibus Budget Reconciliation Act of 1990.

Attachment 1 of this Update is a table of covered rebated drugs that require PA. Note that Orlistat (Xenical) has been added to this list.

Attachment 2 lists the approval criteria and specific PA requirements for Orlistat.

Pharmaceutical care for side effects counseling

Pharmacists are now able to receive pharmaceutical care (PC) reimbursement for additional counseling of side effects precautions beyond the routine intervention required by state regulations. This service may be billed without contacting the prescriber, however, Wisconsin Medicaid recommends informing the prescriber that you have provided extensive side effects counseling. Reimbursement of side effects counseling is limited to situations where there is a substantial risk to the patient.

To bill for this service, use reason code SE (side effects precaution), action code PE (patient education), and result code 3K (instructions understood). This service may be reimbursed up to level of service 12 (six through 15 minutes).

The allowed combinations for this PC service are listed in Attachment 3. Attachment 4 explains the PC codes for this service.

This Update applies to fee-for-service Medicaid providers only. If you are a Medicaid HMO network provider, contact your managed care organization (MCO) for more information about their PA and billing procedures.

If you have questions about these policy changes, call Provider Services at (800) 947-9627 or (608) 221-9883.

The Wisconsin Medicaid Update is the first source for provider information including Medicaid policy and billing information.

Wisconsin Medicaid is administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For provider questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our web site at:
www.dhfs.state.wi.us/medicaid.

**Attachment 1
Covered Rebated Drugs - Prior Authorization Required**

D. COVERED REBATED DRUGS - PRIOR AUTHORIZATION REQUIRED			
<p>1. Paper Submission These drugs are produced by manufacturers that have signed rebate agreements but require prior authorization to determine medical necessity. Diagnosis and information regarding the medical requirements for these drugs must be provided on the prior authorization request.</p>			
ALPHA-1-PROTEINASE INHIBITOR Prolastin*	CS III & IV STIMULANTS (Excludes Mazindol) Benzphetamine, Diethylpropion, Fenfluramine, Phendimetrazine, Phentermine		ENTERAL NUTRITIONALS Ensure, Pediasure, Meritine, Enrich, MCT, Sustacal, Pregestimil, etc.
FERTILITY ENHANCEMENT DRUGS (when used to treat conditions other than infertility) Chorionic Gonadotropin, Menotropins, Clomiphene, Urofollitropin, Gonadorelin	HUMAN GROWTH HORMONE Humatrope*, Protropin* Serostim™	UNLISTED/INVESTIGATIONAL DRUGS Biopterin (tetrahydrobiopterin), Somogard (deslorelin) IMPOTENCE TREATMENT DRUGS (when used for a condition other than impotence) Alprostadil Systemic (Prostin VR Pediatric, Vasoprost), Phentolamine, Systemic (Regitine), Phentolamine Oral (Vasomax)	WEIGHT-LOSS AGENTS Meridia (2/1/98) Orlistat (Xenical) (11/15/99)
<p>2. Specialized Transmission Approval Technology (STAT) PA</p>			
AXID PEPCID	PROTON-PUMP INHIBITORS (when requested for use outside of approved diagnosis ranges) Prevacid, Prilosec, and Aciphex		

* Providers will receive a response within 24 hours from Wisconsin Medicaid for these drug products produced by manufacturers who have signed rebate agreements. Providers must have properly submitted the prior authorization requests.

**Attachment 2
Drug Products Requiring
Paper Submission for Prior Authorization**

Drug	Orlistat
Approval Criteria	Indicated as adjunctive weight-loss therapy to diet and exercise.
Specific Requirements	Documentation of recipient's height and weight, and body mass index.

**Attachment 3
Wisconsin Medicaid Maximum Allowable Cost List for Pharmaceutical Care Codes**

Reason	Action	Result	Level 11 1-5 minutes	Level 12 6-15 minutes	Level 13 16-30 minutes	Level 14 31-60 minutes	Level 15 61+ minutes	R & S Message	Drug Detail	PC Fee Limits
SE	PE	3K	\$9.45	\$14.68	\$14.68	\$14.68	\$14.68	SIDE-EF, PT ED, UNDERSTNDS	Y	4/pt/yr

**Attachment 4
Wisconsin Medicaid
Reason Codes with Billing Information**

REASON CODE, DEFINITION	ACTION CODE, DEFINITION	RESULT CODE, DEFINITION	LEVELS, FEES, PC CODES	REQUIRED DOCUMENTATION & LIMITS (Providers must maintain a PC profile and include the following documentation. This documentation must be made available to Wisconsin Medicaid when requested.)
<p>SE (95) - The pharmacist determines it necessary to provide information regarding possible side effects of a drug prescribed for this recipient. Side effect precautions include: teratogenic drug condition, drug-disease precaution, lactation precaution, drug-age precaution, drug-sex precaution, drug-food, drug-lab, drug-tobacco, drug-alcohol precautions.</p>	<p>MO (22) - Prescriber contacted.</p> <p>PE (25) - Patient education.</p>	<p>1C (12) - Order filled with different dose.</p> <p>1D (13) - Order filled with different directions.</p> <p>1E (14) - Order filled with different drug.</p> <p>1K (18) - Order filled with a different dosage form.</p> <p>2A (30) - Order not filled.</p> <p>3K (85) - Instructions understood.</p>	<p>Level-Fee 11-\$9.45 12-\$14.68 13-\$22.16 14-\$22.16 15-\$22.16</p> <p>-----</p> <p>Allowed PC dispensing fee code combinations: SE-MO-1C+ SE-MO-1D+ SE-MO-1E+ SE-MO-1K+ SE-MO-2A SE-PE-3K+</p> <p>+ requires linked drug NDC, same date of service.</p>	<p>Document:</p> <ul style="list-style-type: none"> - Date of intervention. - Professional time spent on intervention (minutes). Exclude documentation time. - Time spent on documentation (minutes). - Summary of intervention. - Summary of side effect precaution for this drug and recipient. - Identify drug not filled. - Indicate if intervention was for safety, efficacy, compliance, or cost savings-only purposes. - ICD-9-CM for diagnosis, disease, or intended use of medication involved in the submitted intervention. - R.Ph. identify. <p>Limits:</p> <ul style="list-style-type: none"> - A maximum of four Reason SE (95) PC dispensing fees per recipient, per year. - Result code 2A (30) may only be indicated when <i>no</i> replacement drug is prescribed. - Not billable for nursing home residents. - Level 13 is the maximum PC dispensing fee if the prescriber is contacted. - Level 12 is the maximum PC dispensing fee for patient education when the prescriber is not contacted. <p>Notes:</p> <ul style="list-style-type: none"> - Routine intervention is part of normal Prospective Drug Utilization Review (DUR) and consultation and is reimbursed under the "Traditional or Unit Dose" dispensing fee payment when the prescription is dispensed.